

Requesting Approval to Use Alternate Classification Procedures (ACP)

A Mandatory Reference for ADS Chapter 309

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REQUESTING APPROVAL TO USE ALTERNATE CLASSIFICATION PROCEDURES (ACP) FOR CCN AND TCN PSC COMPENSATION OUTSIDE THE LCP

a. Introduction

As stated in <u>ADS 309.3.3.2</u>, the Requestor must make every effort to ensure that a CCN and TCN PSC position is properly classified within, and according to, the local compensation plan (LCP.) Furthermore, the choice of a CCN and TCN PSC mechanism must be based on the Requestor's assessment of the work to be performed viewed against an estimated pool of applicants who might qualify for the position.

USAID recognizes there may be extraordinary circumstances where, based on an assessment of the labor market, the Requestor determines it would be impossible to classify and recruit for the position within the LCP. This reference provides instructions for Requestors and CO's to apply <u>AIDAR Appendix J, section 4, (c)(2)(ii)</u>, which provides the option to request Mission Director approval to use an "alternate" basis for position classification instead of the LCP.

b. Market Research for Alternate Classification Procedures

At the position classification stage, the Requestor analyzes the PSC position in comparison to market value for such positions in the cooperating country, as represented by the local LCP. When specialized expertise or unique qualifications are necessary to meet Mission labor force or programmatic demands, the Requestor must assess if using the LCP will not attract the necessary pool of applicants for the position desired. To request approval to use an alternate basis of compensation in accordance with AIDAR Appendix J, section 4, (c)(2)(ii), the Requestor must prepare the alternate classification procedures (ACP) memo as follows:

- 1. The Requestor must draft the ACP and have the CO clear it before sending it to the Mission Director for approval. It is important for the CO to clear the use of alternate procedures since the CO is responsible for approving the position classification for the salary range to be used to advertise and negotiate the position.
- 2. The ACP must cite either sub-paragraph (A) or (B) of AIDAR Appendix J, section 4, (c)(2)(ii), and must document the Requestor's market research, including sources and concrete data that demonstrate the market value for the desired position cannot be classified within the current LCP. The Requestor must substantively explain why one of the alternate procedures must apply instead of the LCP. Because the LCP includes both salary and benefits compensation, the ACP must address the inapplicability of the LCP as an overall compensation package. As part of the ACP memo, the Requestor must propose a position level and corresponding market value salary range for the position.

3. In preparing the ACP, the Requestor must address one of the two Appendix J alternate procedures as follows:

If based on (A), the ACP must

- Cite the specific current Mission policy for foreign national employee compensation that is an alternative to the LCP, and
- Provide detailed marketing research data, and concrete reasons to justify not using the LCP.

If based on **(B)**, the ACP must

- Indicate that no other Mission policy for foreign national employee compensation applies, and
- Provide sufficient market research data, and concrete reasons to justify the inapplicability of the LCP, and that the position must be classified to include the following sub-sections of <u>AIDAR Appendix D</u>, <u>section 4</u>:

Sub-Section	Title	Applicability
(c)	Withholdings and Fringe Benefits	TCNPSCs
(d)	U.S. Resident Hire PSC Contractors	CCNPSCs
	[for withholdings and benefits]	
(e)	Determining Salary for PSCs	CCN and TCN PSCs
(g)	Performance-Based Salary Increase	CCN and TCN PSCs
(h)	Pay Comparability Adjustment	CCN and TCN PSCs
(i)	Subcontracting	CCN and TCN PSCs

c. ACP and Other CCN and TCN PSC Policies

See the following ADS 309 sections referenced for greater details about CCN and TCN PSC policies that may be affected by an approved ACP.

ITEM	ADS § 309.3.3
HCTM Prior Approval	2
Determining Benefits	3
Budget	4
Competition	5
Requisition	6
Solicitation and Publicizing	7
Pre-Award Documentation	10
Contract Award	11